The effect of coaching on employee performance in the human resource management field: the case of the Lebanese banking sector

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Abstract: Owing to the aggressive competition worldwide, companies are increasingly conscious of the HR prominence. Effective HR is furthermore perceived as a major source of competitive advantage leading companies to success. Thus, to improve organisational performance, HRM is investing in its human capital to develop their skills by implementing updated techniques, such as coaching. This paper explores the effect of coaching on employee performance in the Lebanese banking sector. It aims at filling the gap in the Lebanese market by examining coaching creative and motivational intervening mechanisms which lead to employee enhanced performance. A qualitative case study methodology within an exploratory framework is adopted in this research aiming at evaluating the effects of coaching on employee creativity and motivation, and consequently on employee performance. The results of this investigation will help managers and scholars to reveal coaching in the Lebanese banking sector, its effects, and its implications on employee performance.

Keywords: human resource management; coaching; coach; employee performance; employee creativity; employee motivation; Lebanese banking sector.


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1 Introduction

The incrementally fast-rated environmental fluctuations associated with today’s challenges and economic crisis are exerting a huge pressure on organisations, their capabilities and their human capital. To compete and take the lead, companies are more conscious of their need of a well-trained, qualified and reliable personnel especially that HR capabilities are considered as distinctive and inimitable competitive advantages. Thus, managers are increasingly investing in their human capital by attempting to upgrade their capacities and knowledge, and to assist them in acquiring new skills. Educated and competent employees are essential for businesses to maintain their competitive position in this turbulent environment (Huang, 2001). Consequently, HR managers are urged to harness updated HR practices which may help in developing their human capital. In this respect, Travis and Lane (2006) explain that firms need to implement updated techniques to succeed in this rapidly emerging knowledge-based economy and to maintain their position in such a vibrant marketplace.

Consequently, enterprises are integrating customised interventions, such as coaching sessions that are oriented towards filling employees’ personal needs and individual deficiency gaps, with the traditional business practices. These interactive coaching practices work on motivating and inducing employees towards initiative-taking and decision-making. When employees are motivated, they become more productive and enhance organisational performance (Nohria et al., 2008). At the end of the coaching interventions, employees feel more confident and more conscious of their heightened capacities and potential. This acquired confidence enables the coachees to be more daring thus leading them to be more participative and to suggest innovative problem-solving alternatives. Coaching sessions are beneficial for the organisation at various dimensions: they encourage the initiation of creative ideas and the generation of alternatives which is bound to lead to a faster organisational progress; they ameliorate the decision-making process; they facilitate the achievement of departmental and organisational objectives and goals; and they enhance self-awareness (Witherspoon and White, 1996). This induced creativity is highly likely to positively affect employee performance leading to better organisational operations given that innovations are regarded as fundamental and essential for organisational prosperity and success since they lead to productivity enhancement and to higher employee satisfaction (Cho and Pucik, 2005). Organisational outcomes will subsequently improve, and this will enhance the overall corporate performance.

To improve employee performance and gain distinct competitive advantage in the market, companies are drawing on coaching sessions. These personalised sessions lead to organisational performance enhancement through the development of human capital. This notion is further reinforced by Rock and Donde (2008) who believe that coaching is
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The art of performance enhancement. However, and despite the global popularity of coaching, there is a shortage in the number of international studies exploring the effect of coaching on employee performance and an absence of such researches in the Lebanese market, and, more specifically, in the Lebanese banking sector. This is justified by the fact that coaching is still considered as an infant practice since it has been recently introduced in the Lebanese context. In this regard, Fahed-Sreih (2012) asserts that there is a dearth in HR studies in Lebanon, and Dirani (2006) stresses as well on the shortage of researches that discuss the development of human capital and employee performance enhancement in Lebanon. The scarcity in the literature in this field is the main reason behind this investigation which aims at filling the existing gap in this arena. Therefore, this study examines some of the major mediating variables linking coaching to employee performance, creativity and motivation.

2 The Lebanese banking sector context

The Lebanese banking sector is famous for being among the most dynamic and specialised banking sectors in the Middle East. With a history dating back to the 19th century, this sector has directed the Middle East in terms of progressive strategies, strength, consistency and creativity. In addition to that, 40% of the GDP is generated by the Lebanese banking industry as a source of revenue. This revenue generator is seen as an essential factor in Lebanon leading to economic growth (Association of Banks in Lebanon, 2000). Actually, in spite of the civil war that lasted between the mid-1970s and early 1990s, the Lebanese banking sector has managed to persist and to maintain controlling terms of creativity, product development, expertise and superiority. Thus, even during the 15 years of war, the Lebanese banking sector has succeeded in safeguarding its good reputation (Afiouni, 2007).

For years, the Lebanese banking sector was perceived as a safe haven. It used to attract international entrepreneurs and depositors, whether Arab or European. It was not just known for its high level of professionalism, but equally for its bank secrecy policy. Lebanon was mostly recognised as being the Switzerland of the Middle East (Pheraon, 1993). However, recently and due to worldwide war on terrorism, the rules about secrecy have been challenged and modified which has deprived this sector from its main source of competitive advantage. Lebanon endured a difficult and challenging period that ended with the termination of the war in 1990. According to Dirani (2006), this period can be considered as the greatest economic, social and political challenge faced by the Lebanese banking sector. Furthermore, due to the political insecurity that Lebanon is still suffering from, Lebanese banks are forced be more competitive and that by investing in one of their main assets and source of competitive advantage: their human resources.

Given these circumstances and this competitive environment, the intervention of coaching has become an essential HR practice since it helps Lebanese banks in developing their HR capabilities and in compensating for the deficiencies in human skills. It is worth noting here that over the last two decades, banking sectors all over the world have recognised the necessity of human capital in their organisations. This is the reason for which HR is perceived more and more as a reliable competitive advantage and as a source of both proficiency and efficacy. This change was merely the consequence of the evolving HRM paradigms and the innovative thinking introduced in the managerial field. Largely, Lebanese banks were among the first sectors in the Lebanese market to
introduce HRM principles and to seriously invest in different HR practices, such as coaching. Yet, there is a remarkable shortage in the empirical studies that examine coaching as an added value to organisational performance, hence the importance of this study specifically in this field. A supplementary element affecting the contextual choice of this study is the main structural change influencing this specific field due to globalisation, creativity, HR diversity, downsizing, merging and restructuring.

Given this background against which the Lebanese banks are evolving and improving, it has become indispensable to question the position of coaching as an HRM function embraced by the Lebanese banking sector.

3 The value of coaching in the existent literature

In the first place, coaching as a concept has started with athletes in sporting activities; however, it has developed even further and has grown to be incorporated in other fields. One of the reasons behind this fast expansion is the consciousness of managers regarding the value of this personalised and professional help provided to human capital in their organisations (Bluckert, 2004). The term ‘coaching’ has many definitions depending on the ‘how’ and the ‘why’ of its implementation, as well as on the ‘way’ it is perceived by practitioners and scholars.

According to Kilburg (1996, p.142), coaching is defined as a ‘helping relationship formed between a client who has managerial authority and responsibility in an organization and a consultant who uses a wide variety of behavioral techniques and methods to help the client achieve a mutually identified set of goals to improve his or her professional performance and personal satisfaction’. Subsequently, it improves the effectiveness of this employee (client) and enhances his performance. Furthermore, Antonioni (2000) argues that coaching is a kind of partnership between the employee and the coach, who usually is this employee’s manager, and who aims at developing this employee’s skills and at enhancing his full potential. Besides, Whitmore (2004, p.8) states that coaching is ‘unblocking a person’s potential to maximize their performance’. Certain researchers identify coaching as an uninterrupted learning process (Whitworth et al., 1998; Whitmore, 2002), and they agree that coaching does not teach employees; it rather induces them to learn. In this respect, researchers claim that learning occurs when management introduces coaching along with its encouraging approaches and interactive techniques unlike what takes place when directive methods are employed (Rich, 1998; Ellinger and Bostrom, 1999). Similarly, Berg and Karlsen (2012) define coaching as the process of helping and stimulating an individual or a group of people to develop ways of thinking, a state of being, and learning approaches. Other scholars focus more on individuals’ behavioural change as the direct effect of coaching (Cox et al., 2010; Thompson et al., 2012).

However, and contrasting with most researchers who argue that coaching helps in improving organisational performance by developing employee skills and improving their potential, Grant and Cavanagh (2011, p.294) identify coaching as being not necessarily linked to performance improvement, explaining that coaching is more associated with the development of individual self-control abilities. They declare that ‘Coaching is a goal-directed activity’ as it concentrates on individual and professional goal attainment targeted by coachees. Likewise, Spence and Oaddes (2011, p.37) explain that ‘irrespective of whether these goals are focused on the acquisition of specific skills,
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improved performance or are more developmental in nature, a coachee’s success will depend on how well they can manage their thoughts, feelings and action in support of goal attainment’. By their above declarations, authors are looking at coaching efficiency from a psychological perspective since the emphasis is mostly oriented towards employee emotions and behaviours irrespectively from goal achievement.

Furthermore, Eggers and Clark (2000, p.70) focus on the humanitarian aspect of coaching arguing that ‘coaching is extremely rewarding and productive, for, if nothing else, it fulfills a deep inner need all human beings have – the desire to be heard and understood without judgment’. This definition sheds the light on human needs and on how it should be fulfilled for enhanced motivation leading to performance improvement. In this regard, Gäserud (2001) also focuses on the objectives of coaching stressing on the enhanced performance of employees. He affirms that motivation triggered by this personalised approach encourages employees to work harder, to take more initiatives and to generate results that exceed expectations.

As for the coaching definition that will be selected for this study, it is by Jarvis (2004, p.19) who defines coaching as ‘developing a person’s skills and knowledge so that their job performance improves, hopefully leading to the achievement of organizational objectives’. This definition comes to back up and support previous coaching definitions mentioned previously. It is chosen among others as it is related to this study topic since it implicitly embraces variables examined later on that lead to employee performance enhancement. As a result, we can clearly state that coaching profits employees and organisations on several dimensions. It induces positive behaviour and that by motivating employees who become more involved and are stimulated to take on additional responsibilities and extra duties. Subsequently, coaching assists employees in improving performance while achieving organisational objectives.

4 Employee performance: its academic and managerial prominence

Employee performance is the key behind the success of any business. When employees show high productivity and enhanced performance, organisation bottom line increases along with customer satisfaction. Campbell et al. (1993) underscore the fact that performance is a major determinant behind individual, team and organisational effectiveness. Besides, Islam and Rasad (2006, p.163) explain that performance is ‘the extent to which an organizational member contributes to achieving the goals of the organization’. Performance has also been recognised by Bilgin et al. (2012) as the qualitative and quantitative evaluation, as well as the consequences of a particular assigned task. Furthermore, George and Jones (2008) state that performance may be perceived as the evaluation of an individual’s outcome of a certain job which indicates how well or poorly a job is performed. Performance hence gives an overall idea about employee workplace behaviour (Kacmar et al., 2009).

Accordingly, the notion of performance is generally used to describe several variables from efficiency to efficacy and improvement (Stannack, 1996). There are different levels of performance highlighted by researchers such as Tekeli and Pasaoglu (2011) who make a distinction between performance at a corporate level, at a team level and at an individual level. Furthermore, Uddin et al. (2013, p.64) specify four aspects of performance. They state that ‘the word “performance” can be used to describe different aspects such as societal performance, organizational performance, employee
performance, and individual performance’. In this paper, we will be examining the effect of coaching on employee performance which is defined, according to Tahir et al. (2011, p.1511), as ‘the way an individual behaves, in how much time does he/she achieves the targets set, what are their attitudes towards higher management, how they socialize with their colleagues, how groomed are they, personal growth, absenteeism’. It is crucial for any enterprise to assess and monitor the performance of its employees by evaluating the quality of the final output resulting from employee assigned job/work, and the manner through which it was achieved. Thus, performance hinges on individuals work (Sonntag and Frese, 2002), and varies depending on the employees and their efficiency in accomplishing their work. As to individual performance, it may vary with time. This variability is related to individual motivation and creativity. In this regard, OECD (2008) highlights a number of individual factors which play a major role in performance, such as dedication to work, motivation, loyalty to organisation, and individual competences development. Motivation and creativity, among the above factors, will be explored in this study.

To sum up, employee performance is one of the major competitive advantages any company seeks to attain. Yet, and to improve employee performance, most firms are focusing on integrating techniques in order to enable individuals to acquire the necessary bulk of knowledge and to develop their actual skills, thus leading them to confidently take initiatives.

5 Employee performance enhancement due to the integration of coaching interventions

Today’s firms are working on developing their human capital skills to improve their performance and effectively compete in the market. Thus, by introducing coaching, they are targeting personnel in their corporations hoping to improve each one’s performance. Rider (2002, p.234) asserts that ‘coaching is valued for its capacity to enable managers and employees to learn and develop and thereby to enhance their personal and organizational effectiveness’. Moreover, Selman (2012) argues that for a company to differentiate itself from others, it should have: (a) the capability to introduce and maintain suitable changes, (b) the competencies for creating and maintaining long-term relationships, and (c) the integrity and constancy with people reflecting their responsibilities and values. These specifications form the basics of the coaching culture and are the principles for employee and organisational effectiveness in this aggressive environment where tasks are gaining in complexity (Franklin, 2000; Selman and Fullerton, 2004).

Furthermore, and according to Willis and Guest (2003), coaching is perceived as an efficient skills development approach which favourably impacts organisations and aligns employees with organisational goals. When firms appropriately integrate coaching into their daily routine, the choice of the coach is essential. Selecting the right coach for the coaching sessions is a main determinant of the success of the coaching intervention (Allan, 2013). Coaches with high-level expertise can provide assistance to improve employee skills, procure resources to enhance self-knowledge and endorse behavioural change, as well as encourage self-development and accomplishments (Kets de Vries et al., 2010).
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As a result, coaching benefits individuals at a personal level by working on improving individual performance, and, subsequently, organisational bottom line. This idea is further supported by Jarvis (2004) who affirms that both employees and corporate performance are enhanced significantly when coaching is effectively implemented.

6 The mechanisms linking coaching to employee performance

As can be concluded from the literature above, the introduction of coaching to firms has a positive effect on both employee performance and on the overall organisation bottom line. This is supported by many scholars who have examined performance among many other coaching outcomes (Ellinger et al., 2003; Baron and Morin, 2009). In this regard, Ellinger et al. (2005) have positively associated coaching with employee satisfaction and enhanced work-related performance. Additionally, Hunt and Weintraub (2002) affirm that coaching enables employees to improve and grow professionally which ameliorates their performance. Thus, this new HR practice is recognised as a successful approach to boost employee performance and to facilitate organisational changes and development.

Nonetheless, the relationship between coaching interventions and employee performance is not that direct and simple. For employee performance to improve, many mediators come into play out of which we will be examining creativity and motivation.

7 Employee creativity and its relationship with coaching

Creativity, the term that has been long understated, has turned out to be a crucial aspect in the growth of organisations. Oftentimes, innovation and creativity are two terms that can be used interchangeably and are considered as suitable substitutes (Weinzimmer et al., 2011). Therefore, in this paper, both terms are used to express the same meaning.

In this turbulent business environment, creativity is perceived as a crucial competitive advantage and a vital prerequisite of success (Ford and Gioia, 1995). The need that organisations have to take the lead has amplified the concern of experts and executives to deeply comprehend creativity and its effects in organisations. Taylor and Callahan (2005, p.247) define creativity as ‘an aspect of physical, social, cognitive, and even spiritual development, transcends the individual, group, process, and organization learning and performance domains’. Creativity is chiefly about new idea generation enabling firms to adapt rapidly to the unstable circumstances in their environment and to find winning alternatives when faced with a problem. When employees acquire the appropriate know-how related to their tasks and develop their extant skills, they will feel more confident to suggest creative and innovative ideas which will contribute to the enhancement of organisational performance (Chen and Kaufmann, 2008). Accordingly, Cheung and Wong (2011, p.656) affirm that ‘creativity means employees using a range of their diversified skills, abilities, knowledge, views, and experience to generate new ideas for decisions making, problem solving, and completion of tasks in efficient ways’.

The relationship between coaching and employee creativity enhancement has been indirectly supported by researchers. In fact, coaching stimulates individuals to use their inner skills, encourages innovation and creativity, boosts self-improvement and strengthens workplace relationships (Chernoff, 2008). The coach qualifications and his
personal interaction with employees are crucial during the coaching process. The coach should succeed in relieving employees from any weight limiting their potential in order to free creative behaviour. Nielsen and Nørreklit (2012, p.160) highlight the coach’s importance in initiating creativity. They explain that a good coach should manage to ‘create enthusiasm and self-confidence, promote creativity, and help create an overview of possible solutions’.

Bachkirova (2011) states that when requesting employees not to answer questions directly after they are asked, the coaching process will induce employees to come up with other alternatives and better innovative thoughts than if they answer as soon as the questions are asked. Based upon this perspective, creativity is extracted from the subconscious which requires in-depth thinking, knowing that the most evident and least creative ideas come first (Claxton, 1999). This highlights the importance of the way the coach ‘extracts’ the creativity of coachees. The focus is on a two-way communication between the coach and the coachee all through the coaching process. This kind of communication enables more transparency and smoothness at work which is necessary at unearthing the coachees’ creative thoughts. The focus is on a two-way communication between the coach and the coachee all through the coaching process. This kind of communication enables more transparency and smoothness at work which is necessary at unearthing the coachees’ creative thoughts. Besides, Barrekette (2013) confirms in his study on a major leading global bank that coaching encourages employees to visualise and reveal their dream life on paper. Accordingly, coaching enlarges the space for originality and imaginations.

Although the above literature has studied the effect of coaching on employee creativity, there are no similar studies in Lebanon, and namely in the Lebanese banking sector. Thus, we can examine and elaborate on this in the Lebanese banking sector through the first proposition.

Proposition 1: When coaching is effectively implemented in the Lebanese banks, its employees’ creativity will rise.

8 Relationship between employee creativity and employee performance

In this competitive environment, managers are in favour of stimulating innovative actions in order to sustain a company’s competitive position in the market (Mumford et al., 2002). In this regard, Amabile (1988) affirms that organisational performance is highly improved when HRM considers creativity while recruiting employees, and when hired individuals enjoy inventive perceptions and practical ideas, leading to original design and products. This idea is equally supported by Uddin et al. (2013) who assert that performance is amplified whenever creativity comes into play. This originality by itself is perceived as a main key success factor for the firm, thus differentiating it from competitors. Besides, Hirst et al. (2009, p.966) explain that ‘creative efforts lay the groundwork for creative performance in at least three ways: creative effort reflects the extent to which the individual seeks new information and ideas, whether they explore new approaches regardless of their difficulty, and the levels of persistence in this information searching process’. Therefore, creative behaviours are reflected in the innovative ideas of employees, the new techniques employed, as well as the distinct attitudes and unique methods used to achieve assigned tasks while aiming at fulfilling customer needs and thus increasing their satisfaction (Zhou and Shalley, 2008). This uniqueness helps employees in overcoming several challenges which ultimately leads to better performance. Moreover, Cheung and Wong (2011) shed the light on the steps that should
be taken by employees in order to generate creative thoughts and to develop original ideas and valuable answers helping in overcoming barriers and in discovering new solutions to job-related problems.

Similarly, Zhang and Bartol (2010) focus on the closed loop linking innovative techniques and the overall performance of the employee. According to Lee and Tan (2012), a flexible business environment forms a good catalyst for creativity since it encourages employees to exchange thoughts openly and to feel freer. Consequently, employees are further stimulated to cooperate with their colleagues; they are equally encouraged to share knowledge and to generate thoughts (Edmondson, 1999; Jaw and Liu, 2003). In this regard, Gilson (2008) declares that creativity mainly positively affects organisational performance by influencing employee job-related performance.

Fairness and equality at work are among the main factors that strengthen and increase innovation at work. When employees are treated with no discrimination, their engagement is boosted leading to enhanced creativity (West and Anderson, 1996). An innovative climate is perceived as a major source of competitive advantage which aims at developing employees’ capabilities (Merrifield, 2000; Chen and Huang, 2007). As to the Lebanese context, only one study conducted by Mikdashi (1999) covers the topic of creativity. In this study, the author examines the effect of organisational environment on the creativity of managers in Lebanon.

Yet, and to the best of our knowledge, there are no studies in Lebanon that investigate the impact of creativity on employee performance in the Lebanese banking sector. Thus, we can formulate the following proposition to be examined in the Lebanese banking sector.

**Proposition 2:** Whenever employee creativity is higher due to coaching in Lebanese banks, employee performance will be higher.

### 9 Employee motivation and its relationship to coaching

Motivation and its several theories have many common characteristics. It gathers ambitious people whose will is stimulated towards goals achievement; it highlights people’s perseverance that is triggered and intensified towards education and knowledge acquisition with the aim of performance enhancement (Ankli and Palliam, 2012). The word ‘motivation’ has its genesis from the Latin ‘movere’ meaning ‘to move’ (Kreitner and Kinicki, 1998). The basis of this term was, at a later stage, elucidated by Iqbal et al. (2012, p.692) who state that ‘through motivation we are moved from a state of dullness to interest’. Unmotivated people are those who lack strength, will, encouragement and perseverance unlike motivated people who are highly energetic, full of inspiration, dynamism and passion (Deci and Ryan, 2000). Managers should entirely understand the prominence of this term with reference to organisation bottom line enhancement and that in order to spread it among employees and to achieve higher-level goals and objectives. According to Anyim et al. (2012, p.34), ‘Motivation is the act of stimulating someone or oneself to get desired course of action or to push the right button to get desired reactions’. In this respect, Price (2001) argues that motivational factors are a group of stimulators which boost employee productivity and improve their performance. Yet, we should note here that motivation is a relative concept given that it depends on each individual’s personality, background, education, culture, experience, age, preferences and
taste. It cannot be generalised since it is a subject with multidimensional theories. In fact, some individuals may get motivated by particular factors that appear to be worthless to others. Therefore, it is crucial for managers to recognise each employee’s necessities and preferences in order to satisfy those needs and to generate motivation accordingly. People can never be totally understood given their invisible inner thoughts; thus, management should be attentive to which motivation styles to adopt with each individual in order to boost performance and to increase job satisfaction (Adyasha, 2013).

According to Stener (2007, p.31), ‘Coaching contributes to individual development by offering an opportunity to improve the motivation and skills of the employees, which in turn will increase their job performance’. Thus, coaching interventions are proved to have a positive impact on employee motivation. This is further backed by Amorose and Anderson-Butcher (2007) who highlight the positive liaison between coaching sessions and employee motivation. When the coachees perceive the significant investment granted by their organisations to develop their skills, they get highly energetic and passionate about their work. The coachees appreciate the attention of the coach who uses personalised techniques. This amplifies their motivation and makes them want to sacrifice more for the organisation they belong to. In this respect, Grant and O’Connor (2010, p.103) affirm that good coaching improves motivation, develops understanding and generates a positive attitude and self-efficacy, which lead to progress and change. It also ‘helps the coachees to move closer towards their goals or objectives’. By increasing the employee’s feeling of recognition and gratitude, coaching increases motivation (Dagley, 2007). The coach should motivate employees by inducing them to take decisions, and by both understanding them and strengthening the bond of trust established between both parties. In this regard, Nielsen and Nørreklit (2012) stress on the importance of the coach–coachee relationship which affects employee improvement. Consequently, the coach ‘helps the active person develop motivation and competence’ (Nielsen and Nørreklit, 2012, p.160). Subsequently, employees are more devoted to their job and organisation, which improve their performance (Rock and Donde, 2008). Additionally, Schulz (2013) highlights the prominence of the coach all through the coaching process in terms of employee learning development and motivation enhancement.

Wild et al. (1999) focus on motivation as one of the main coaching objectives. The authors clarify that coaching (1) attracts employees and amplifies their attention, (2) enhances their personal development, (3) induces motivation, and (4) strengthens the trust between the coach and the coachee. Moreover, Kets de Vries (2005) and Finn (2007) stress the following advantages of coaching, claiming that self-esteem and confidence increase managerial skills development and negotiation skills improvement. By making them feel more responsible, prouder and freer, thus, their motivation increases, and they are more encouraged to take initiatives and to double their efforts towards performance enhancement. In addition to all the advantages mentioned above, coaching spreads a cooperative conduct among employees (Kruzela, 2006). This, by itself, generates a comfortable climate and an increased productivity. In this regard, Chompukum (2012, p.4) asserts that ‘coaching stretches and motivates employees to achieve their best’.
To conclude and based on the literature above, there may be a causal relationship between coaching and motivation. Owing to its facilitative, interactive and personalised approach, coaching induces employee motivation.

Yet, and despite the vast literature examining this relationship, there is a lack of similar investigation in Lebanon and more specifically in the Lebanese banking sector. The following proposition can be consequently put forward in order to be validated in the framework of the Lebanese banking industry.

**Proposition 3:** When coaching is effectively implemented in Lebanese banks, the motivation of its employees will be enhanced.

### 10 Relationship between employee motivation and employee performance

Motivation is considered to be one of the main competitive advantages of many organisations (Johnson, 2005). It has been quite a while that firms have motivation as their centre of attention mainly because of its impact on employee performance and organisation bottom line (Elmadag, 2006). Whenever employees get motivated, their work satisfaction is enhanced leading to a boost in their performance. In this regard, Parmenova (2009) affirms that motivation increases all of employee work commitment, job appreciation, participation and decision-making, which, in turn, help the organisation in achieving its goals and objectives. Thus, motivation can induce employees to double their efforts and manage their work despite any hindrance they can encounter (Shukla, 2012). So, according to Uddin et al. (2013), motivation has a direct effect on employee performance.

However, despite all the literature linking motivation to performance, this topic has not been examined in Lebanon and more specifically in the Lebanese banking sector; thus, the following proposition is to be examined in this paper.

**Proposition 4:** Whenever employee motivation in the Lebanese banks implementing coaching is higher, employee performance will be higher.

**Figure 1** Preliminary exploratory research model and propositions
11 Methodology

This study is designed to examine the impact of coaching on employee performance in the Lebanese banking sector. Given the innovativeness of this topic in Lebanon and due to the sensitivity of the data available in the Lebanese banking sector owing to the ‘bank secrecy’ in Lebanon, an exploratory study is the most suitable for this investigation. In addition, the necessity to carry out this exploratory research ascends from the shortage of literature covering HRM and its development in Lebanon. In this regard, Dirani (2006) highlights the existence of a serious lack of data examining the evolution of the human capital and personnel performance enhancement in the Lebanese market. The author discloses the scarcity of literature dealing with this field and emphasises its importance. Moreover, few, if any empirical studies, have been conducted to study the effects of coaching on employee performance in the Lebanese banking sector, especially that coaching is still considered as an infant HR practice integrated in only a small number of Lebanese organisations. On the other hand, Dirani (2012) sheds the light on the efforts of managers towards the adoption of updated HRD approaches in their companies. The author proceeds by criticising HR use of outdated practices in Lebanon, such as the short-term/ad hoc training techniques. As a result, the aim of this qualitative study is to explore the effects of coaching on employee performance in the Lebanese banking sector.

Moreover, and due to the dominance of family-owned enterprises in Lebanon generally and in the Lebanese banking industry more specifically, managerial practices and relevant data are kept strictly confidential. This is one of the main limitations facing this investigation, thus providing an additional reason to opt for qualitative research. This constraint is enhanced by the constriction emerging from the Lebanese bank secrecy policy which makes it difficult to access the needed data in Lebanese banks. Therefore, and given the innovativeness of this topic in the Lebanese market, an in-depth analysis of the issue under study reveals to be the most suitable. As a result, the soundest methodology to be adopted in such a situation is the multiple case study approach since findings will be more compelling, and the study will be perceived to be more robust (Herriott and Firestone, 1983), hence increasing the credibility of the entire study.

The reasoning behind the choice of a multiple-case design is its replication logic that will help in generating a solid and well-supported theoretical framework. This framework is bound to be a path used by other researchers with the goal of case generalisation (Yin, 2009). The logic used for the replication process is the same as that of the multiple experiments (Hersen and Barlow, 1976). In this respect, the results of one experiment will be replicated when undertaking the second, the third and all the additional experiments.

12 The case studies selected sample

Given the recent integration of coaching in Lebanon and more specifically in the Lebanese banking sector, three banks, in which coaching has been adopted and given much attention, have been selected. The rationale behind the choice of these three banks is mainly the ability to get hold of the needed information from these banks, knowing that data access from banks in Lebanon is an impediment given the law of secrecy in the Lebanese banking sector. Anonymity concerning the names of the banks, the coaches and
the coachees was required. Accordingly, these banks were identified as Bank A, Bank B and Bank C. Besides, it is worth noting that the selected banks are among the top ten in Lebanon and the top 100 in the Arab world (Union of Arab Banks, 2013) which increase the credibility of the actual study. Thus, the selection of Banks A, B and C was mainly based on the experience of coaches in the mentioned banks, the capability to access data, the implementation and integration of coaching in those banks’ strategy, and mostly their good ranking in Lebanon and the Arab world.

Besides, those three banks have existed in the Lebanese market for at least 50 years. More precisely, Bank A was founded in 1963, Bank B in 1961, and Bank C in 1944. This denotes that they have existed long enough to guarantee the outcomes of this study. Besides, and according to the Central Bank of Lebanon (2012), the average number of Lebanese banks employees is 398,796 by the end of 2012. This means that the average number of employees per bank is 400 given that there are 54 banks in Lebanon. In addition, Bank A has 1529 employees, Bank B contains 1609 employees, and Bank C includes 1370 employees. These numbers are way above the average number stated above which improves the credibility of the selected sources. Furthermore, as stated in the quarterly bulletin of the Central Bank of Lebanon at the end of 2012, the total number of commercial banks’ branches in Lebanon is 847 branches knowing that Bank A has 58 branches, Bank B has 66 branches and finally Bank C has 60 domestic branches. Thus, the branches of those three banks constitute a total of 22% of total branches in Lebanon, and this boosts even more the credibility of this investigation.

12.1 Data collection

In-depth interviews were conducted with six managers/coaches and 12 employees/coachees who were elected for this investigation, thus rendering the total number of interviews to 18. Two coaches and four coachees were selected from each bank. The length of the semi-structured interviews conducted on the bank premises ranged between 60 and 90 minutes per interview.

The semi-structured interviews were conducted by using an interview guide where subjects and main themes to be discussed with all candidates were listed. Semi-structured interviews are known by their flexibility for both parties and by the fact that the order of discussion is not enforced (Gavard-Perret et al., 2008). The interviewer usually follows the question order contingent with the candidates’ sequence of ideas. Two open-ended questionnaires were prepared for the accomplishment of this study: the first one targeting the coaches and the second one the coachees.

All the interviews were recorded enabling a detailed accurate transcription at a later stage. Despite the fact that a multiple case study design was adopted, banks were treated separately. The findings of each bank were compared and contrasted leading to high perceptibility of different situations in this study. This process enables the drawing of holistic deductions (Yin, 2003).

In Banks A, B, and C, as illustrated in Figure 2, the Head of Retail Banking (Banks A and C) and the Training and Development Manager (Bank B) usually provide coaching sessions to the Sales and Service Quality Managers. In return, the Sales and Service Quality Managers coach their respective customer service representatives.
Before proceeding with the investigation and for a better preparation of the research design, a pilot study was conducted to prepare for the ultimate study (Van Teijlingen and Hundley, 2002). Yin (2009, p.92) argues that a pilot case study is very helpful for the researcher in that it refines the ‘data collection plans with respect to both the content of the data and the procedures to be followed’. Yin (2009) stresses, as well, on the fact that a pilot study is different from a pretest since it is more determinative and formative. It helps the researcher in adjusting established questions and may also clarify theories related to the research design. Those amendments made during the pilot study will reduce the risk of failure by avoiding unpleasant surprises and by eliminating some detected weaknesses in the way questions are stated. The pilot study was conducted with the Head of Retail Training Department/coach and two coachees of Bank A. Those interviews were conducted face-to-face in the managers’ private office for privacy purposes. The interviews were recorded after getting the approval of the selected candidates. The concerned parties were guaranteed that the name of the bank as well as that of the respondents would be kept confidential and that the data collected would only be used for academic purposes. The pilot study has helped in reorganising some ideas, in selecting key questions and in adding definitions to the questionnaire to clarify some terms in
The effect of coaching on employee performance

order to improve the results of the research. The Head of Retail Training Department helped in scheduling the other interviews and provided valuable suggestions on how to adjust part of the protocol to fit the real data collection needs. As a result, the collected data and informal discussions during the pilot study have clarified important aspects of the case under study while equally shedding light on the related literature especially that the research contains both practical and theoretical concerns. For instance, during the interview, the Head of Retail Training has evoked an important variable to be taken in consideration, the influence of coachees’ age on various coaching effects. The coach stated assertively that the performance of young coachees is more affected by coaching than old coachees since youth are more open to change. Young coachees seek to learn more than the older coachees and this is reflected on their post-coaching performance. Therefore, three aged coachees were selected among interviewees. Each one was chosen from a different bank. The first coachee was 43 years old from Bank A. The second coachee was 40 years old from Bank B and the last one from Bank C was 39 years old as can be seen in Figure 2. In brief, this investigation has improved the design of the research, dug further into the existent literature and gathered new data that fit real-life situations.

12.2 Data analysis

The recorded data were successively transcribed and written down on a word document. After that, transcriptions were deeply analysed using open coding in order to gather the main themes from the data collected. As a result, similar themes were uncovered and sorted under major categories with a common focus. By that, comparable replies and comments were grouped under one specific category (Strauss and Corbin, 1998). Directly after, the content of the written texts were analysed through axial coding. In this regard, Creswell (2007, p.161) explains that axial coding ‘provides insight into specific coding categories that relate or explain’ the subject under study. Thus, throughout this process, categories and subcategories were correlated. Moreover, subcategories extracted through the open coding were identified and extracted from the existing literature. Coding has thus helped in the development of substantial content analysis of the interviews (Patton, 2002).

13 Results and discussions

13.1 The impact of coaching on employee creativity (Proposition 1)

All coaches have unanimously agreed that coaching increases employee creativity. However, although their descriptions have led to the same conclusions, each one has expressed his/her opinion differently. One coach has elaborated how coaching frees the employee’s mind and alleviates the work load, and this induces the coachee to work harder. This freedom pushes the employee towards initiative-taking unlike the way business was carried out before. Prior to coaching, employees used to wait for the manager’s instructions in order to take action. This reveals how coaching has decentralised authority, has given rise to employee autonomy and has enhanced their creativity. Another coach asserts that coaching induces the creativity of the coachee who, as a result of coaching sessions, manages to integrate the expounded concepts in order to
attract the customer and convince him/her to buy banking products. Coaching enables the generation of new thoughts, which are subsequently spread among employees as best practices. Furthermore, coachees get all the more creative when experiences and information shared are shaped by their own personality and character. Two other coaches associate the increase in creativity to the autonomy which is enhanced during coaching sessions. They clarify that coaching allows the coachee to control his/her skills and to improve his/her shortcomings; coaching is thus the adequate course to be adopted to attain higher levels of creativity. They also highlight the ‘role model’ practices played by the coach which motivate the coachees to model themselves like the coach. Furthermore, the two last coaches focus on the development of imagination due to coaching interventions. They state that coaching induces the coachees to search for solutions to problems, by boosting their curiosity and stimulating their creative behaviour. However, one coach has declared that the problem in Lebanon is the minor follow-up on coaching. He explains that the reason behind this deficiency is the recent implementation of coaching into the Lebanese banking sector, knowing that only few banks have integrated coaching into their practices.

As for the coachees, when asked about the effect of coaching on their creativity, generally the 12 customer service representatives who have assisted to coaching sessions have asserted that coaching has enhanced their creativity by increasing their self-confidence and responsible behaviour. It has encouraged them towards taking initiatives and has stimulated them to think ‘out of the box’.

13.2 Conclusion of Proposition 1

The cross-interpretation of the interviews with coaches and coachees in this exploratory study has enabled us to determine that coaching is highly likely to have a positive impact on the creativity of employees. Yet, some points have to be underscored. First, coaching may increase the creative behaviour of employees if it is regularly conducted given that it is a continuous process. Second, the coach must be both a helpful and understanding person. The third and most important finding is the coachees’ age. According to the interviewed coaches, young employees become more creative than older ones since they are more eager to learn and less rigid in their prior beliefs and knowledge. For further clarification and since both terms ‘young’ and ‘older’ will be more used all through this paper, it is worth noting that young employees are between 24 and 33 years old, while older ones are above 40 years and thus have more work experience as they have been bankers for a longer period. Finally, there should be a closer follow-up on coachees in order for the coaching to be efficient and to induce creativity, yet the concern remains the recent integration of coaching practices in the Lebanese banks. However, in the near future, the impact of coaching will most probably be more substantial since it will be given more serious attention. As a result, it is possible to conclude that Proposition 1 is validated. However, evidence, observed from the fieldwork, which has not been mentioned in the literature, has led us to convey this supplementary proposition.

Proposition 1a: The age of the employee is likely to influence the relationship between coaching and employee creativity.

This proposition will be later discussed in Proposition 5.
13.3 The impact of employee creativity on employee performance  
(Proposition 2)

All coaches interviewed approved of the fact that when creativity increases, employee performance increases, but once again there were numerous explanations for the perceived performance enhancement depending on the perception of each coach. One coach explains that creativity strengthens the self-confidence of employees, and this makes them more at ease when achieving an assigned task. Effort is therefore doubled and so is productivity. Another coach claims that the creativity induced by coaching pushes the employees to work at a faster rate since there is no need to wait for the manager’s detailed instructions anymore. They can grasp opportunities instantly. The coachees’ highly proactive behaviour is reflected in their reliable and superior outcomes and the efficient attainment of objectives directly leading to enhanced performance. Half of the coaches affirm that creativity enables employees to persuade customers to buy bank-related products. By broadening their imagination and increasing their ‘healthy’ curiosity, employees are capable of digging deeper to extract the implicit added value and the hidden benefits of a bank’s products. These features will enable them to attain and even exceed their targets. This accomplishment can be considered as a sound indicator of performance enhancement. Most of the coaches assert that creativity increases coachee efficiency, boosts sales, and improves customer satisfaction. Owing to coaching and its subsequent creativity, coachees can meet their objectives much more effectively and efficiently. The increased number of customers, the reduction in the number and the nature of complaints, as well as the enhanced customer retention rate are all reliable evidence of superior performance.

As to the question of whether the creativity triggered by coaching improves employee performance, it has yielded a positive consensus among the coachees of the selected banks. Actually, one customer service representative, a coachee, affirms that his work has improved by 60–70% because of the creativity acquired from coaching. He is freer now to express his thoughts; and he has attained higher-level competencies allowing him to properly finalise his job. Thus, he is obviously more productive and more efficient than before. Furthermore, half of the coachees affirm that innovative ideas acquired from coaching have broadened their imagination and have enabled them to come up with original offers to customers who, in turn, feel higher levels of satisfaction and buy more. Most of the coachees claim that creativity allows them to propose solutions and several alternatives to customers, and this reduces customer complaints. They elaborate regarding performance improvement by referring to the enhanced satisfaction of customers, the high attraction of new customers and the reduction of complaints. According to the coachees, one of the methods employed by management to evaluate their performance is by sending a mystery shopper to the branch to test the knowledge of employees and to assess their behaviour and reactions as an upshot of coaching. The mystery shopper is satisfied more often than not and notices a sizeable improvement in speed and innovation. Some of the coachees consider that when they are innovative, they get motivated and become more dynamic at work; this positively reflects on them and on the bank they work for in the eyes of their customers. Creativity has the capacity of stimulating and enabling coachees to meet the previously set targets. It equally ends the routine and the redundancy some of the coachees suffer from. Moreover, most of the coachees affirm that they have supplementary contacts now; stronger and friendlier relationships with customers have started recommending the bank’s products and
services to their friends. The attainment of objectives and targets, as well as the enhancement of customer trust are clear indications of the improved performance of coachees.

13.4 Conclusion of Proposition 2

The findings above confirm the second proposition. The latter suggests a linear correlation between employee creativity and employee performance; hence, Proposition 2 is validated. The self-assurance acquired from coaching interventions triggers the coachees’ implicit creativity and pushes them to take initiatives thus impacting their performance positively. The opposite is also true given that whenever a coachee is less creative, his/her performance is hindered as a result. Since coaching is new in Lebanon, there are no real measurements assessing the performance induced by the creativity generated from coaching. However, in this paper, performance is being evaluated according to the following criteria: reduction in the number of complaints, the increase in both customer satisfaction and retention, repeat customer visits, increased productivity, faster work achievements, the meeting of objectives and targets, heightened contacts with new customers after coaching and higher levels of professionalism at work. Additionally, and according to one of the coachees, Lebanese banks should focus more on giving incentives to show recognition of employees’ efforts. Hence, both creativity and effort will be significantly improved and maintained. Given that Proposition 2 results from Proposition 1, we can also state that the previous statement about the impact of coachee age on the whole process is still maintained.

13.5 The impact of coaching on employee motivation (Proposition 3)

In general, coaches gave segregated answers concerning the impact of coaching on employee motivation. Four of them had favourable replies, although they related motivation to specific conditions. The remaining two were more reluctant in this regard; the first coach stated that employee motivation did not only rely on coaching but also on the coachees’ personality, the coach–coachee relationship, and the incentive-related policy adopted by banks. Whenever the bank grants incentives recognising employee efforts, employee motivation is enhanced further. In addition to that, this coach emphasises that when the coachee is aware of the importance of coaching and its necessity to his/her work, he/she will get unconditionally motivated. But if the coachee underestimates the importance of the process and does not take it seriously, motivation is highly unlikely to be the outcome. Furthermore, he claims that some employees put unreasonably high expectations on coaching; they assume that all their weaknesses will disappear, and they expect to get promoted rapidly after going through these sessions. They are not aware that the promotion process needs time and that they need to respect the bank’s procedures in this regard. Consequently, they get demotivated. Thus, it is worth mentioning two cultural aspects that come into play here. First, Lebanese people usually lack patience and seek fast results and immediate progress. Second, in general, the ego of the Lebanese may prevent them from accepting comments easily since they most often believe and show that they are all knowledgeable. Consequently, those features may stand in the way of motivation induction. In addition to the hesitant answer of the first coach (the Training and Development Manager), the second coach (the Sales
and Service Quality Manager) shared a similar reply stating that there is a group of coachees who do not take coaching seriously, so they do not get motivated. In fact, they believe that they are wasting their time and are subsequently discouraged. Yet again, the first two coaches have stated that for the coachees who are interested in coaching and who know how beneficial it is, motivation is triggered after the coaching sessions. Hence, both of the reluctant coaches had a partial confirmation concerning the effect of coaching on motivation.

As to the third coach who has answered positively, he believes that coaching does indeed induce the motivation of coachees, but the more significant motivators are the financial incentives and rewards for the results accomplished as a result of coaching. Hence, coachees do get motivated, but in order for this motivation to last, it needs to be supported by some sort of recognition. With regard to the fourth coach, he asserts that coaching does motivate coachees, but both the follow-up and recognition are compulsory for the success of this new practice. Regardless of the type of recognition, be it moral or financial or both, it is required for the continuity of coaching and for the achievement of improved results. The four coaches who have mainly given positive answers clarify the reason behind that. Two of them believe that coaching increases employee confidence given that the employees coached acquire additional skills and techniques; they equally get more acquainted with their bank’s products and services. This enables them to feel more at ease when dealing with customers which yields an increase in their motivation level. The other two coaches explain that motivation is reflected by the increased participation of coachees. Besides, they state that when coachees notice that their performance has improved and that their results are enhanced due to coaching, they become even more motivated. Most of the candidates interviewed stressed on the importance of the coach’s role in motivating the coached employees. They also think that the coach should be supportive, passionate about the job and charismatic. He/she should focus on the coachees’ positive attitudes during the coaching sessions. Furthermore, most of the coaches have stated that younger coachees are oftentimes more motivated than older ones since they are more eager to acquire additional information provided by the coaching sessions. As to the older coaches, they do not accept change easily; they are much more prone to stick to their ‘old’ ways and methods of performing tasks and thus show high resistance to change. Therefore, their motivation towards coaching is lower.

As for the coachees, and when asked about coaching and its impact on their motivation, mainly all Customer Service Representatives have given positive replies. In fact, more than half of the coachees have claimed that after coaching sessions, they feel more excited and enthusiastic to apply what the coaches have taught them coaching initiates them to be proactive and increases their curiosity to check customer feedback after applying the new techniques adopted. Three coachees believe that by acquiring original approaches and mastering new selling techniques, they feel more at ease and more confident with customers. This, by itself, noticeably enhances their motivation. They thus feel different and end up enjoying their work more. Furthermore, seven coachees consider that the close follow-up and encouragement by the coaches result in the enhancement of their motivation. They feel that they want to prove to the coaches that the latter have succeeded in transmitting the necessary information, and this has enabled them to overcome their weaknesses. Thus, they end up working harder and achieving better results. Two other coachees, on the other hand, have stated that the motivation given by coaching does not end at work; it equally affects their personal life.
given that they feel happier and more at ease with themselves. Moreover, three other coachees claim that the real reason behind the ensuing motivation is the feeling of appreciation from their institutions. When they really feel that the HR department cares about them and working on investing in them, motivation is the outcome. Besides, four coachees have stated that whenever they notice an improvement in performance resulting from coaching, they get even more motivated especially if the resulting enhancement is recognised and appreciated by either their management or by customers who become more satisfied and loyal. It is a productive cycle. On the other hand, two coachees have stressed on the incentives offered by the banks as being the main motivator. They have equally added that even though coaching motivates them, if they are neither recognised nor given an incentive, this motivation will be ephemeral. Incentives entice them to achieve more work, perform better and meet targets faster.

13.6 Conclusion of Proposition 3

The interpretation of the answers given by both the coaches and coachees can disclose that, from an exploratory perspective, coaching can have an impact on employee motivation. However, a few points unearthed from the interviews must be highlighted. First, the coach’s role is very important in this regard. The coach should be qualified enough to understand the different coachees and to be able to target their individualised needs appropriately. There should be a regular follow-up and continuous encouragement for the coachees to get motivated. The coach should equally be supportive. Thus, as we can see, the coach–coachee relationship is essential here. Second, a great emphasis has been placed on the coachees’ awareness and personality. The coachee should not underestimate the importance of coaching; in fact, he/she should recognise its importance in relation to his/her work and benefit from it. The coachee must take it seriously and keep his/her concentration all through the coaching process. This is exactly the point at which he/she gets motivated. Furthermore, moral and financial incentives are essential to increase and extend the motivation generated by coaching. It is necessary for the management at Lebanese banks to award those coachees whose performance has improved. Incentives do not only increase motivation but also maintain it for a lengthy period. Last, but not least, in Lebanon, individuals are mostly impatient and known for their arrogance. Most people assume they know everything, and this is bound to affect their motivation to improve. However, it is worth noting here that coaching is not the only factor that affects employee motivation; nonetheless, our aim in this research is focused towards the influences of coaching on motivation. Finally, and most importantly, the majority of coaches claim that the young coachees get more motivated than the older ones since they become more enthusiastic towards the coaching sessions and are more open to change, thus making them eager to improve as per the coaching guidelines.

As a result, we can conclude that the third proposition is partially validated. Yet, new findings from the field have brought a new proposition to light.

Proposition 3a: The age of the employee may influence the relationship between coaching and employee motivation.

This proposition will be later discussed in Proposition 5.
The effect of coaching on employee performance

13.7 The impact of employee motivation on employee performance (Proposition 4)

In this study, increased employee motivation is claimed to lead to improved performance. As long as the employee feels motivated, he/she performs better and produces better quality output. Consequently, the findings of our investigation will bring to mind those of the third proposition.

When asked about whether motivation affects employee performance, the four coaches, who have given affirmative replies regarding the impact of coaching on motivation, have stated that when motivation is increased due to coaching, employee performance gets boosted. Whenever employees are enthusiastic at work, they work on achieving the objectives set by the coach at the beginning of the coaching session, and the outcome is an improved performance. In fact, those coaches who have linked motivation to the seriousness and awareness of the coachee claim that when the coachee is aware of the necessity for coaching and takes this process seriously, he/she gets motivated and his/her performance improves. However, when the coachee is not serious and ignores the benefits of coaching, his/her performance will not be affected and will remain the same. Besides, the coaches declare that the coachees should have moderate expectations and should see the whole picture while focusing on their objectives instead of solely focusing on how to get promoted. When these facts are assimilated by the coachee, he/she gets motivated and performs better.

Furthermore, the coaches who have stressed on the importance of the existence of incentives among the main motivators have equally stated that when incentives are granted, coachees are further motivated, and, accordingly, their performance is enhanced. As a matter of fact, half of the coaches claim that it is no secret that when employees are motivated, they work harder and exceed their targets. Their enhanced performance is reflected by the heightened satisfaction of bank customers. Another coach specifies further that the performance of coachees is first perceived at an individual level, is later on noticed on the overall level of the branch, and is subsequently discerned within an area. He also adds that during coaching sessions, he sits individually with each employee and works on helping him/her overcome his/her weaknesses. In return, and to show appreciation, the coachee endeavours to market and sell more products, to satisfy existing customers and to attract prospects. Two coaches believe that when coachees are motivated, they enjoy work and always manage to meet deadlines, thus resulting in the improvement of their performance and in the reduction of the employee turnover rate. This amplifies the coachees’ commitment and increases their loyalty to the bank they work for.

As stated above, all interviewed customer service representatives have clearly expressed their consensus that coaching has boosted their motivation, and that this heightened motivation leads to enhanced performance. As a matter of fact, most of the coachees claim that whenever they are motivated, their sales figures rise tangibly, and their targets are attained faster. Two of the coachees expound that they are even able to acquire additional skills and become more convincing in getting customers to buy supplementary products by cross-selling. Two other coachees declare that induced motivation has enabled them to be more patient with customers and has equally helped them solve the difficult situations customers face by giving them efficient and targeted pieces of advice. They work on finding alternatives and closely following-up with customers. This is an unmistakable sign of improved performance which is also
discerned in the reduction of the number of customer complaints. Half of the coachees state that when they are motivated, they enjoy work more, and they become both more committed and more loyal to the organisation they work for. In fact, they believe that the prosperity of the banks they belong to reveals their own success. They are able to smoothly persuade and attract customers, and they even end up building pleasant and long-term relationships with them. Indeed, the customers become their friends and partners. All this effort is done for the continuity of their organisation. One of the coachees admits that before taking coaching sessions, he did not really care about reaching his targets nor did he care about customers. All he cared about was getting his salary at the end of the month. But now, after being motivated, he is working in a more professional way seeking to make his coach proud given that his priorities have been altered.

13.8 Conclusion of Proposition 4

All the results obtained from the interviews validate the existence of a causal relationship between employee motivation and employee performance. Whenever employees get motivated as a result of coaching sessions, their performance is heightened given that they enjoy their work more; they become more productive and more loyal to the institution they work for. Subsequently, sales increase and targets are achieved more easily. The opposite is also true, so anytime employees get demotivated, their productivity is automatically diminished. Given that Proposition 4 is the consequence of Proposition 3, the same supposition that the age of the coachees affects the whole process is equally maintained. Hence, Proposition 4 is confirmed.

13.9 The impact of employee age on the relationship between coaching, employee creativity and motivation (Proposition 5)

Throughout all the interviews, the coaches have highlighted an important variable, whether talking about motivation or creativity, which is the influence of the age of coachees on the effect of coaching. In fact, the coaches interviewed believe that coaching has a stronger effect on the young coachees than on the older ones upon the above-mentioned variables. More particularly, the managers/coaches claim that young coachees are more flexible, and this facilitates the coaching process. They are not offended by remarks as are older people who think that they already know everything and do not accept criticism even if given smoothly. Those coaches also affirm that the youth has shown a much better performance than that of the older generation as a result of coaching sessions. One of the coaches from Bank B who has also agreed regarding the impact of age on the effects of coaching equally posits that if the coach succeeds with the older coachees, performance will improve even further since older people are more mature, experienced and familiar with the system of the bank. Thus, they are better equipped to decide how and when to practise what is learned during coaching sessions, so their performance is bound to be positively affected. Actually, the managers explain that the difference between the younger and the older coachees when it comes to the effects of coaching is due to the openness of the younger generation to change and to adapt fast unlike the older generation that is more rigid and more resistant to change. One of the coaches has added that at the beginning of the coaching process, there is always resistance, and this is comprehensible because it is part of human nature to resist change.
However, the difference here is that younger coachees overcome this resistance much faster than older ones. Thus, the coach should be more patient with the former given that they need more time to accept this transformation and to adapt, unlike the youth. However, the coaches assert that there should be a close follow-up on the different coachees. First, the head office should recognize the efforts made by the employees as a result of coaching. Second, the branch manager, who is closer to the employees, should keep track of the improvement of each coachee and his/her reaction towards coaching in order to deal with each case accordingly. Nevertheless, this is not well applied at the branch level. Thus, the main strategy is to do the follow-up chiefly from the head office and then from the branches. This follow-up reduces the amount of resistance of the older coachees and amplifies the effect of the aforementioned coaching variables on young coachees. On the other hand, this manager sheds the light on a problem affecting the youth by stating that after the coaching sessions, the younger coachees think that they should get promoted fast since they are learning new skills and their performance is improving. Here, as well, bank recognition and follow-up should make them feel appreciated and should increase their awareness regarding supplementary effort that is still needed. Juniors usually listen more, especially when they are aware that coaching is beneficial for both their future career as bankers and for their personal life, which is not only oriented towards the success of the institution they work for. Consequently, they absorb more and desire to perform changes in the way they work. The coaches also affirm that the success ratios for younger coachees are much higher than those for older ones. More often than not, young teams usually show excellent results. Besides, young coachees have more time and most likely take material home and get better prepared. Mainly older people have other priorities and more responsibilities than the younger ones. According to some managers, the ego is among one of the essential barriers hindering the older coaches from progressing as they could. Hence, they stick to old techniques that relax them, and they seldom admit being mistaken. This prevents them from applying innovative techniques and slows their improvement. Some of them get upset and could even end up refusing to implement what is explained during coaching. They feel insulted when given remarks and hence refuse to cooperate. This is why they need much more time to be influenced and shaped by coaching.

On the other hand, when looking into the influence of the coachees’ ages on the above-stated effects of coaching from the coachees’ standpoints, results diverged from the ones expounded above by the coaches. The interviewed coachees had mainly positive replies regarding all of the coaching effects discussed above, and this contradicts the coaches’ declaration concerning the resistance to change and the slow adaptation of the older generation. Those customer service representatives have given confident responses and have asserted that coaching has indeed induced their creativity and has increased their motivation by varying the routine and by adding some spice to the redundancy of the daily tasks. This has resulted, according to them, in the improvement of their performance as a result of coaching.

In short, the reaction of the coaches differed from that of the older coachees regarding the influence of age on the above-mentioned coaching effects. Nonetheless, given that the coaches have more experience and are more objective than the coachees, they are bound to have a broader point of view. It is worthwhile mentioning that it is neither easy for coachees to confess their difficulties to adapt to the newly introduced HR practices nor to admit their resistance to change. Furthermore, the coaches are those who assess the coachees’ performance and those who evaluate their reactions towards the newly adopted
practices. They are hence most likely relying on tangible results and actual facts in order to come up with their deductions. To conclude, and based on the analysis of the combination of the coaches vs. coachees answers, we can clearly assert that Proposition 5 is validated.

By joining the perceptions of both the coaches and coachees regarding coaching and its effect on employee creativity and motivation, and thus on employee performance, we are able to come up with the exploratory model and propositions illustrated in Figure 3. The relationships that have been completely validated are represented with complete arrows, whereas those propositions that were partially validated have been depicted with dotted arrows.

**Figure 3** Final exploratory research model and propositions

14 **Conclusions of the research**

In this paper, we have managed to compare parallel case studies using the multiple case study design. This has allowed us to examine the propositions stated above from the viewpoint of the coaches (the training and development managers, the heads of retail training and the sales managers) and the coachees (the customer service representatives).

The results found are indeed quite interesting especially that this topic is tackled for the first time in the Lebanese market, and more specifically in the Lebanese banking sector. In fact, the declaration that the young coachees are much more affected by coaching than the older ones and that their performance is further enhanced has been highlighted. This statement has the consensus of all the coaches whose opinion is highly considerable especially that they coach younger and older coachees whose performance they assess.

Based upon the analysis and findings of the empirical study at hand, Table 1 clarifies the whole picture by displaying the examined propositions and their relative confirmation.
Table 1 Validation of research propositions

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<th>P</th>
<th>Propositions</th>
<th>Validations</th>
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<tr>
<td>P1</td>
<td>The impact of coaching on employee creativity</td>
<td>Validated</td>
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<tr>
<td>P2</td>
<td>The impact of employee creativity on employee performance</td>
<td>Validated</td>
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<tr>
<td>P3</td>
<td>The impact of coaching on employee motivation</td>
<td>Partially validated From the standpoint of coachees</td>
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<tr>
<td>P4</td>
<td>The impact of employee motivation on employee performance</td>
<td>Validated</td>
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<tr>
<td>P5</td>
<td>The impact of age on employee creativity and motivation</td>
<td>Validated From the standpoint of coaches</td>
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To sum up, the findings of this research have been derived from the (1) coaches’ perception and the (2) coachees’ standpoints. Those outcomes have been combined in order to provide a holistic understanding of the impact of coaching on employee performance in the Lebanese banking sector.

15 Contributions of the research

This research is the first in Lebanon to provide logical and consistent evidence regarding the effect of coaching on employee performance in the Lebanese banking sector. Thus, both academic and managerial contributions are presented hereafter.

16 Academic contributions

The mechanism linking coaching to employee performance in the Lebanese banking sector has been clearly acknowledged. This study has proven that coaching is highly likely to have a positive impact upon employee creativity and motivation in the Lebanese banking sector as deduced from the interviews with both coaches and coachees. As a result, coaching does, more often than not, trigger employee creativity and induce employee motivation. When those two variables are improved, employee performance is subsequently enhanced. Nevertheless, it is worth mentioning here that the focus has been merely on the effect of coaching on creativity and motivation, yet there may be other external and internal factors having a moderating effect on the relationship between coaching, creativity and motivation. This detail may be among suggestions for future research.

The impact of the coachee’s age on the variables linking coaching to employee performance in the Lebanese banking sector has been equally acknowledged. Indeed, the effect of coaching on employee creativity and motivation and eventually on employee performance is substantially influenced by the age of the coachee. Actually, this research is the first to uncover the impact of the coachee’s age on coaching given that no previous international or Lebanese study has ever tackled the impact of age in this regard. This variable emphasises the importance of the employees’ age in Lebanon when it comes to coaching knowing that age has been overlooked so far in all coaching studies. Indeed, the obtained outcomes have demonstrated that mainly young coachees are more influenced
by coaching than older ones. The latter are more absorbed in their own routine and thus have higher resistance to the change that comes about as a result of the implementation of coaching. Based upon the findings of this study, younger coachees get more creative with a heightened performance given that they get more involved in coaching and are more prone to accepting the comments, advice and instructions of others. In fact, they even get quite motivated and enthusiastic towards these sessions because of their higher flexibility towards change, thus leading to a faster adaptation and a higher appreciation of this constructive reformation. Consequently, their performance outshines that of the older ones.

17 Managerial contributions

Given that coaching is a very young practice recently implemented in Lebanon, particularly in the Lebanese banking sector, managers who have not adopted it yet still wonder if it has a future in Lebanon and have their doubts on whether it does improve employee performance especially that its application requires a heavy investment. Thus, this paper is a stepping stone towards reassuring managers in this regard by answering some of their questions. Does coaching affect employee performance in the Lebanese context? If yes, how?

This study reveals a consistent and well-structured assessment of coaching effects on employee performance in the Lebanese banking sector. The results obtained from the analysis reveal a positive impact of coaching on employee performance in the Lebanese banking sector, yet many factors have been perceived as essential for the successful implementation of coaching thus leading to the expected positive outcomes. First, the coachees should be granted a type of incentive or rewards when performance is enhanced. In fact, financial incentives are perceived to form an important factor which intensifies the coaching effects especially since the beginning of the economic difficulties Lebanon is going through. Second, the coaches selected for this process should be qualified, charismatic, and supportive enough in order to generate the required outcome. This enables the coaches to strengthen their relationship with the coaches, and this subsequently encourages the latter to perform better. Third, coaching sessions should be provided on a regular basis and should equally be accompanied by close follow-up. Continuous coaching reminds employees and updates them about important material that should be used at work. Those findings are very important for coaching to be successful and generate tangible outcomes. Fourth, the coachees’ efforts and enhanced performance should be recognised and appreciated regardless if financially or otherwise. Constructive feedback is sometimes enough to increase employee morale and to induce coachees to keep attending the coaching sessions and to work harder. A brief letter of appreciation can equally make a difference, retain employees and amplify the effect of coaching on employee performance.

Moreover, new variables affected by the integration of coaching into the everyday life of employees have been highlighted. When coaching is implemented, employee performance is highly likely to be enhanced. Yet, this is only the visible tip of the iceberg since in order for performance to improve, many other factors come into play; and when these factors are combined, employee performance is bound to improve. When digging to uncover the reasons behind the enhancement of employee performance, the whole picture is clarified further. Coaching is highly likely to trigger employee creativity by
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encouraging him/her to take initiatives and to come up with innovative proposals. It also may induce motivation which enables the coachees to enjoy their job further and to feel more dynamic at work. Thus, all these factors unified lead to an improved employee performance.

Last but not least, this investigation has evoked an important fact, mainly from the coaches’ viewpoint, that should be seriously taken in consideration when implementing coaching. The age of the coachees seems to have a significant influence on the induction of all of the aforementioned factors and subsequently on employee performance. As a matter of fact, coaching has a more momentous impact on young coachees than on older ones. Indeed, the former are much more open and receptive to change. They grasp what is expected of them faster and adapt both more easily and more readily to new situations. Field studies and data collected from interviews have shown that, compared to older coachees, young coachees get more creative and are more motivated. As a result, everything else being constant, the latter show an enhanced performance compared to the former. Such a finding should not be underestimated, and managers ought to see to it seriously when implementing coaching.

Finally, this research highlights the importance of coaching and its effects on employee performance in Lebanese banks. It increases the managers’ awareness in this regard and encourages them to adopt this new HR means of intervention. This investigation portrays a clear picture of the HR field in Lebanon generally and in the Lebanese banking sector specifically. Hence, managers should be more conscious regarding the necessity to shift towards coaching and to consequently reduce the use of traditional techniques.

18 Suggestions for future research

Countless suggestions for future research can be made with the aim of further improving this study.

First, this investigation can be replicated by applying the emerged model in other contexts and fields. This investigation has revealed that coaching can have a positive impact on employee performance in the Lebanese banking sector knowing that the coachees were represented by the customer service representatives. Those conclusions must be equally verified with bank employees, other than the customer service representatives, such as with tellers, back office employees, etc. Also, those findings should be substantiated in fields other than that of the banks in Lebanon in order to generalise the unearthed outcomes in the Lebanese commercial sector.

Second, the examination of the impact of the age of coaches on the upshot of coaching needs to be equally corroborated. In this study, the age of the coachees has been revealed as being a significant factor impacting the effect of coaching on employee performance in the Lebanese banking sector. Young coachees, with their speedy adaptation capability, seem to be further influenced by coaching and subsequently ended up by having a better performance than older coachees. This finding should be validated further in other sectors in Lebanon in order to confirm if coaches will still have the same perception regarding the age of the coachees when it comes to its impact on coaching.
Third, the effect of coaching on employee performance can be examined by employing a quantitative methodology. In this research, the effect of coaching on employee performance has been studied using an exploratory qualitative methodology. Nonetheless, the outcomes of this research should be tested using a quantitative methodology. If bank secrecy stands in the way of collecting quantitative information, an idea would be to tackle this topic from the service perspective for starters, and then in commercial firms producing goods in Lebanon.

Fourth, the findings of this research have disclosed that coaching has a positive impact on employee performance. The focus has been directed towards two variables that are enhanced by coaching that generate improved employee performance and that are narrowly linked. Those variables are creativity and motivation. Creativity, for example, affects employee motivation, and motivation, on the other hand, has an impact on creativity. Those relationships are worth verifying in future studies especially that each relationship goes both ways.

Last but not least, there should be an acknowledgement of supplementary factors linking coaching to employee performance. The two variables explored in this investigation that are influenced by coaching and impact employee performance are not exhaustive. In fact, future studies can be conducted to discover additional factors linking coaching to employee performance. Besides, additional variables that may amplify or weaken the investigated relationship can be verified and confirmed in the Lebanese banking sector and in other Lebanese sectors.

Finally, an evaluation of the effect of coaching on organisational performance needs to be undertaken. This study has revealed the impact of coaching on employee performance. Since the literature shows that employee performance is an antecedent of organisational performance (Odiorne, 1991; Cheese and Thomas, 2003; Gary, 2003; Jarvis, 2004), it would be enlightening to examine the impact of coaching on organisational performance especially that there is a lack of empirical studies in this regard. This research would be a significant contribution in the way that it extends the research beyond the actual model.

References


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